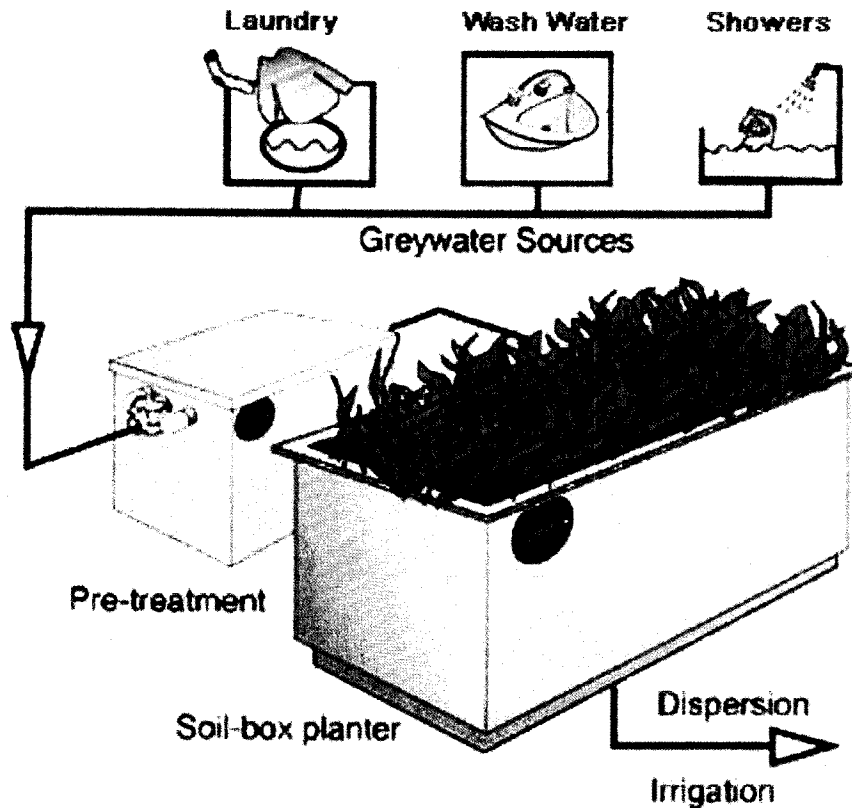


**SB 265****Reduce property taxes on new construction  
for use of gray water systems**

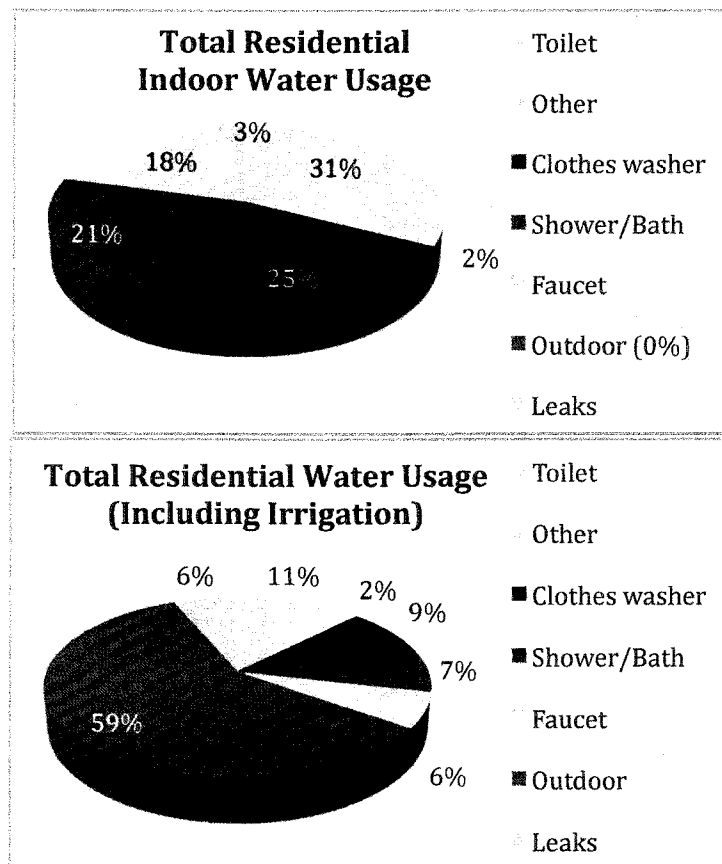
This bill provides a tax abatement for new construction projects that install a gray water reuse system. Gray water reuse systems are the next step in innovative water conservation efforts and have the potential to dramatically reduce our impact on the natural environment. A system by itself will cost approximately \$2,000 and range from \$3,000 to \$10,000 (more for larger projects) for full installation depending on the site and complexity of the system and if it will include irrigation or only waste transfer (flushing toilets). Over time, the building owner will see savings on their water utility bill of approximately 35-40% as a result of the system (BRAC Systems, 2011). However, sometimes these savings over time are discounted more and the upfront capital cost of the system is valued more. A tax abatement will shorten the payback period and make the upfront investment more attractive to building owners and contractors.

**Gray Water Basics:**

- Gray water is any wastewater from showers, tubs, laundry and bathroom sinks that does not contain sewage or food particles.



- Gray water use can account for anywhere between 20-60% of total household water use, depending on how much is used for other uses such as outdoor irrigation (Aquacraft Inc., 1995).



- Gray water can easily be reused indoors for toilet flushing. Three retrofits of this nature have been installed in Helena and Bozeman.
- Outdoor irrigation for watering plants must be through a subsurface irrigation system.

#### Other points of interest:

- As an added benefit, a gray water reuse system will increase the long-term value of the property.
- The benefit of having a tax abatement on new property, only, and not on renovations is that the existing tax base will not decrease.

#### Citations

Aquacraft, Inc. and American Water Works Association Research Foundation (AWWARF). "Residential Water Use Summary." 1995.

<http://www.aquacraft.com/Publications/resident.htm>

BRAC Systems. "Welcome to BRAC Systems: Care for the Environment While Saving Money." 2011. <http://www.bracsystems.com/>



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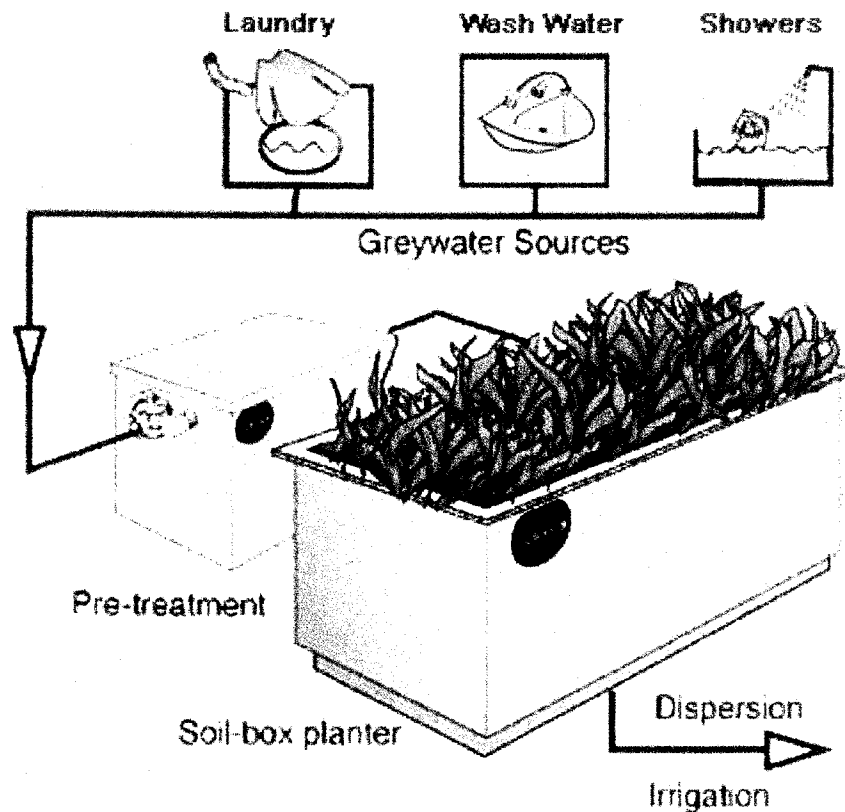
Matt Elsaesser 406-431-0815

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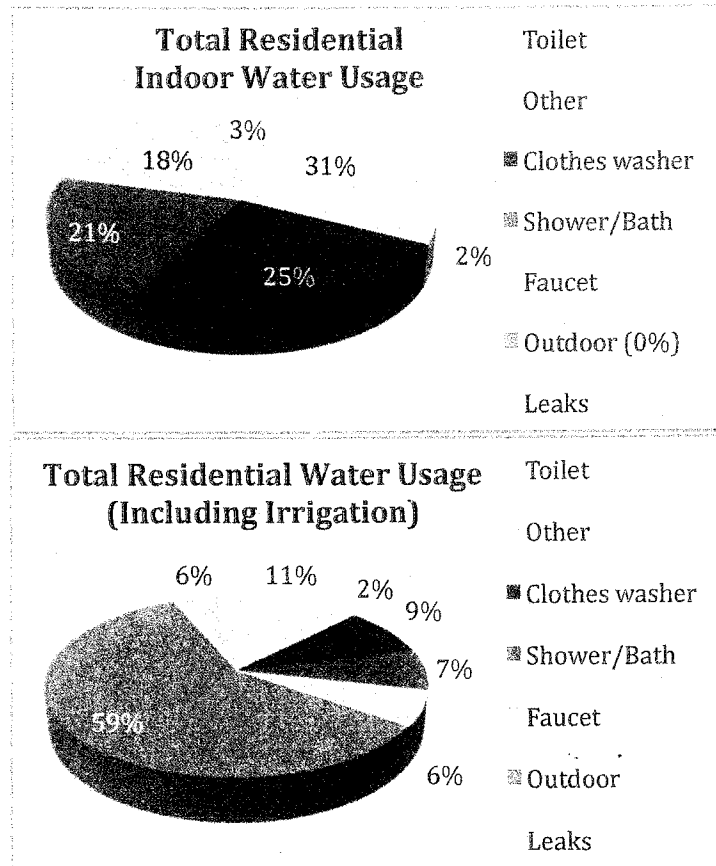
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